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Syria at about £S 2.85 per square meter. Most of its production is sold locally and there has recently been a marked increase in demand from its export markets in Lebanon and Jordan where Syrian glass is admitted duty free. Since 1952 the importation of sheet glass, many containers and other glass articles has been prohibited.

Tanning and Leather Dressing

The development of the tanning and leather dressing industry from the handicraft to the mechanically-aided stage began about 1929 and has made good progress, particularly since the dissolution of the Customs Union with Lebanon.

The supply of Syrian sheep and goat skins is more than sufficient to meet local demand, but raw cow and buffalo hides were imported to the extent of over 2,000 tons in 1951 and over 2,500 tons in 1953 to supplement the supply of local hides. About 800 tons of untreated hides and skins were exported in 1951 and 600 in 1953, and about 430 tons and 330 tons of processed leather and leather goods in 1951 and 1953 respectively. According to the most recent official figures (end of 1953) the tanneries which the government classes as factories numbered 75, mostly in the Aleppo and Damascus areas. The annual output amounted to 2,700 tons of sole hide and 4.9 million square feet of other leather. The number of workers employed was given as 2,700.

Elsewhere we have mentioned the successful establishment of an industrial zone for tanneries on the outskirts of Damascus. This has provided an opportunity for the introduction of additional modern machinery and a great improvement in working conditions at the new location. The new tanneries vary considerably in size, the number of workers ranging from five or six to about 100.

Boots and Shoes

Leather boots and shoes with leather or rubber soles are made by hand or on simple machines in small workshops in most parts of the country, or by the retailer on his own premises. There are no reliable figures of the number of workers or volume of production.

During the last few years four factories have been established near

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295 Damascus to manufacture rubber boots, canvas and rubber shoes, and felt and rubber shoes by the hot molding process, using imported crude rubber, imported and local waste rubber and canvas, and locally made felt. Production is said to be about 300,000 pairs per year and about 200 workers are employed. Other factories in Damascus and Aleppo produce rubber soles and heels. About 1,600 tons of rubber and rubber waste were imported in 1953, but it is not known how much was used in the boots and shoes industry in addition to local scrap rubber. The importation of boots and shoes is prohibited.

Matches

369
372 Syria's first match factory started production in Damascus in 1930. By 1952, six more had been built. Damascus has the three largest, Aleppo the other four. Supplies are drawn mostly from local timber, though some additional wood, as well as chemicals, is imported.

An improved layout of machines and the introduction of small conveyors would increase efficiency and assist in lowering costs.

Together the factories employ about 350 whole or part time workers. The three Damascus factories produced about 25.6 million boxes in 1952 and 32.2 million in 1953. Production figures for the Aleppo factories are not available. The importation of matches is prohibited.

Tobacco

277
655 A number of enterprises grade and prepare tobacco for export, but the manufacture and importation of cigarettes and tobacco has, since 1951, been confined to the State Tobacco Monopoly Administration.

The monopoly operates a cigarette factory in Damascus and one in Aleppo, and a factory in Latakia which manufactures and packs tobacco for retail sale. The tobacco for manufacture is partly Syrian (from the Latakia region) and partly imported. Cigarettes, tobacco and cigars are also imported from Europe and the United States.

The Damascus branch is in a new factory where tobacco is sorted, damped, stripped by hand only, and cut. The cigarettes are made on a number of old German machines and a few new American ones.

The tobacco monopoly employs 2,300 workers; total production of all three factories amounted to 2.7 million kg. in 1953.

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The manufacture of silk and artificial silk brocade, mainly as a luxury export, employs only a few mechanical looms; hand looms are still in the majority. The existing capacity seems to be adequate to meet the demand which, because of the high price of the goods produced, is bound to be fairly restricted. Trade figures, however, reveal a trend towards increasing exports of the less expensive types of cloth made from cotton or rayon or a combination of both materials. Recent export and import figures are given in the Appendix.

For one of the factories in the new and continuously expanding rubber boots and shoes industry, most of the machinery (except the cutting and sewing machines) was made in small local engineering shops and assembled at the factory by the company's own labor. It is somewhat primitive, although the goods produced are of reasonable quality. The installation of modern foreign machinery would considerably increase production and reduce labor costs. This industry is protected by an embargo and has a small export trade with surrounding countries. Shortage of capital seems to be the main impediment to faster modernization.

Capital

The original capital of most of the larger Syrian industrial enterprises was put up either by a single family or a small partnership and in general the expansion reflected the amount of earnings retained in the firm. Even in the rather exceptional case in which an enterprise was corporate in form (*société anonyme*), it usually maintained in substance a privately owned and privately financed character.

This pattern of organization and growth is equally true of the majority of industrial firms created since 1945, among them the largest in Syria. Some of these began on a large modern scale, requiring both heavy investments and several million £S of original capital for their financing, and although generally incorporated with a certain spreading of stock in some cases, the company much more often was owned or largely controlled by one or a very few persons. This situation reflects the prevailing distribution of wealth, the reluctance to participate in business without control, the unfamiliarity with stock, the lack of a well organized capital market, particularly for equity investments, and last but not least the preference for large and quick returns on savings, for which there were, at least in the

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indicates that in this field Syria has become a competitor in foreign markets. In dyeing, printing and finishing there seems to be need for additional modern plant. It also seems desirable to investigate the possibility of profitable production of jute fabric sacks. Imports of these sacks have rapidly increased in the last few years, reaching a total of nearly 10,000 tons with a value of £S 6 million in 1953. The need for jute sacks would be lessened if bulk transportation and storage facilities were available but even in that event an increase in general agricultural production might make the establishment of a factory for sack production from imported jute fiber or yarn an economic possibility.

Further expansion of the cement industry may well be required. In fact, the government has authorized a new plant for Aleppo which may be transferred to the Jezireh to serve the growing requirement of north-eastern Syria. A cement plant for the Homs-Hama region is also under consideration.

In the footwear industry modern factory production has been introduced only with regard to rubber boots and shoes. An experiment with factory production of leather shoes in Aleppo some years ago met with such opposition from the handicraft trade that it was abandoned. Nevertheless this branch of industry may be one in which the application of modern production methods would be appropriate and generally beneficial.

It seems useful to investigate the economic prospects of paper and paperboard manufacture. In 1953 about 8,000 tons of paper with a value of nearly £S 5 million were imported. This total comprises a large variety of different types of paper but some are imported in such quantity as to suggest the feasibility of specialized production. Straw is plentiful as raw material and in a relatively short period more poplar wood could become available if farmers and village communities gave increased attention to tree planting.

The production of metal from scrap and the gradual development of an engineering industry may also be contemplated. The manufacture of simple pumps and engines as well as spare parts is already being carried out by many small shops but the quality of the output suffers from inadequate technical supervision. An adequately equipped and staffed plant might be able to undertake the production of these items as well as the improved types of agricultural implements to be developed for use on farms.